

**REMARKS**

Claims 1-14 are pending in the application, and claims 1-8 and 14 stand rejected. Claims 1, 2, 5, 7, 9 and 12 have been amended to correct obvious typographical or grammatical errors. Figures 1 and 2 have been amended to include the legend "Prior Art" as requested by the Examiner.

**Rejection under 35 U.S.C §102**

Claims 1-4 and 14 stand rejected under 35 U.S.C. 102(e) as being anticipated by U.S. Patent Application Publication No. 2002/0196784 to Masuda. Applicant respectfully disagrees with the Examiner's characterization of this reference.

Present Claim 1 is directed to a service scheduling unit that includes, among others, a decapsulating module adapted to decapsulate the encapsulated data stream from the de-mapping module into one or more independent data frames, and an encapsulating module adapted to receive the decapsulated data frame forwarded by the packet scheduling module and to encapsulate the data frame at the Data Link Layer.

Masuda does mention a transport network in which STM traffic and high-speed LAN traffic are transported in a high capacity STM path. An object of Masuda is to provide a transport network and a network node which are capable of monitoring multiple packet paths established within an STM path with the ability to assist transport providers to identify the maintenance boundary point when a failure occurs in the network. The Examiner equates the switching unit 32 to the service scheduling unit of the present invention and the label converter 74 to the decapsulating module and the encapsulating module of the present invention. Applicant respectfully disagrees as fully explained below.

Masuda discloses that upon receipt of a GFP frame from the VC receive module 73R, a label converter 74 descrambles its payload data and supplies the descrambled payload data to a packet switch 75, as indicated by the Examiner, and packet data from the packet switch 75 are supplied to the label converter 74, which performs scrambling on the payload field of each packet (see paragraph 46). However, it is important to note that Masuda the label converter 74

descrambles its payload data, and performs scrambling on the payload field of each packet from the packet switch 75, but does not decapsulate its payload into one or more independent data frames and encapsulates the data packet from the packet switch 75.

As is common knowledge in the art, encapsulation and decapsulation are different from scrambling and descrambling. The object of encapsulation is to demarcate a frame, i.e., determine the start and end of a data packet. For example, data is comprised of sequential packets, and when data is transmitted on a link, the receiving end distinguishes boundaries between data packets through encapsulation. On the other hand, the object of scrambling is to avoid misjudge of frame header caused by specific payload data. For example, if "010101" is defined as identification of the frame header, and the payload data is not scrambled, the system will misread a payload data that equals to "010101" as a frame header, and in order to avoid such misreading, the payload data needs to be scrambled.

According to the present invention, the decapsulating module is adapted to decapsulate the encapsulated data stream into one or more independent data frames, and the encapsulating module is adapted to encapsulate the independent data frames. In Masuda, the descrambling is performed to descramble the encapsulated data, but not to strip off the encapsulation of the data, and the scrambling is performed to scramble the encapsulated data.

In view of the above, Applicant submits that the label converter 74 does not correspond to the decapsulating module and the encapsulating module in the present invention, i.e., Masuda does not disclose the decapsulating module and the encapsulating module as defined in the present invention, and for this reason further submits that claim 1 is not in fact anticipated by Masuda and requests the Examiner to kindly reconsider and withdraw this rejection.

Claims 2-4 and 14 depend from claim 1. In view of the above discussion, it is submitted that claim 1 is allowable, and for this reason claims 2-4 and 14 are also allowable at least in view of their dependency.

Rejection under 35 U.S.C §103

Claims 5-8 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Masuda in view of U.S. Pat. No. 5,596,730 to Sekine and further in view of U.S. Pat. App. Pub. No. 2005/0175004 to Russell et al., and further in view of U.S. Pat. App. Pub. No. 2008/0291832 to Bordogna et al. Applicant respectfully disagrees, but notes that claims 5-8 depend from claim 1. “If an independent claim is nonobvious under 35 U.S.C. 103, then any claim depending therefrom is nonobvious.” *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988). Therefore, in light of the above discussion of claim 1, Applicant submits that claims 5-8 are also allowable at least by virtue of their dependency on claim 1 as well as the additional limitations recited by each of these claims.

Applicants acknowledge with gratitude the Examiner’s indication of allowability as to claims 9-13.

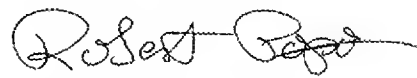
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In view of the above, Applicants submit that the application is now in condition for allowance and respectfully urge the Examiner to pass this case to issue.

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The Commissioner is authorized to charge any additional fees which may be required or credit overpayment to deposit account no. 12-0415. In particular, if this response is not timely filed, the Commissioner is authorized to treat this response as including a petition to extend the time period pursuant to 37 CFR 1.136(a) requesting an extension of time of the number of months necessary to make this response timely filed and the petition fee due in connection therewith may be charged to deposit account no. 12-0415.

Respectfully submitted,



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